



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone: (626) 458-5100
www.ladpw.org

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

July 7, 2005

IN REPLY PLEASE
REFER TO FILE: B-0

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**SECOND AMENDMENT TO AGREEMENT NO. 74058 WITH ACCELA, INC.
EXTENSION OF TIME FOR IMPLEMENTATION OF
ELECTRONIC DEVELOPMENT AND PERMIT TRACKING SYSTEM,
AUTHORITY TO MAKE PROGRESS PAYMENTS, AND
AUTHORITY TO UTILIZE CONTINGENCY FUNDS
ALL SUPERVISORIAL DISTRICTS
3 VOTES**

**JOINT RECOMMENDATION WITH THE CHIEF INFORMATION OFFICER THAT
YOUR BOARD:**

1. Approve the enclosed Second Amendment to the June 18, 2002, Agreement (No. 74058) with Accela, Inc., which will (I) extend the implementation period for the electronic Development and Permit Tracking System (eDAPTS) project to December 31, 2006, for the Department of Public Works and the Additional Entities (described below), (II) authorize the Program Director for Public Works to make progress payments to Accela for work completed which has been accepted by the County, and (III) authorize the Program Directors for Public Works and the Additional Entities to utilize previously-approved contingency funds for payment to Accela for supplemental services and/or programming modifications at no additional cost to the County.
2. Instruct the Chair to sign the Amendment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On June 18, 2002, your Board approved a 10-year Agreement with Accela for replacement of Public Works' mainframe based Development and Permit Tracking System with a new web-enabled system, now known as eDAPTS. The contracted sum of the Agreement is \$4,012,865, which includes software licenses, professional services to implement the project at Public Works, maintenance services following implementation at Public Works, and a sum of \$252,100 for contingencies.

On April 1, 2003, your Board, with the recommendation of the CIO and Public Works, approved an Addendum to the Agreement for the expansion of the eDAPTS system to the Departments of Regional Planning, Fire, and the Health Services' Office of Environmental Health (such Departments collectively, the Additional Entities). Under the Addendum, each of the Additional Entities worked with Accela to devise its own Implementation Plan, Payment Schedule, and Statement of Work for its portion of the eDAPTS system. The Addendum added \$3,600,000 from the Information Technology Fund to the project for additional software licenses and professional services for the Additional Entities and included a sum of \$230,120 for contingencies.

Implementation of the eDAPTS system under the Agreement has taken longer than originally scheduled due to a variety of issues, including the addition of the Additional Entities to the system and underestimation of the complexities of the eDAPTS Departments' business processes by Accela. Consequently, on May 20, 2004, your Board, with the recommendation of the CIO and Public Works, approved a First Amendment to the Agreement under which the implementation period for the eDAPTS system at Public Works and the Additional Entities was extended from June 18, 2004, to August 1, 2005, at no additional cost to the County.

As the August 1, 2005, extension deadline approaches, Public Works and the CIO recognize that the amount of work required by Accela to implement the eDAPTS system for Public Works and the Additional Entities will require additional time beyond the initial estimate. Thus, the project design and implementation necessary to achieve the required functionality and cross-Department collaboration for all four eDAPTS Departments will require an additional extension. Consequently, Public Works and the CIO recommend that your Board approve the Second Amendment which provides for a no-cost extension of time for the implementation period currently provided under the Agreement to December 31, 2006. This time extension will apply to all four currently participating Departments to allow full implementation of eDAPTS in those Departments.

To date, certain parts of the eDAPTS system have been successfully implemented at Public Works and the Additional Entities, and consequently, the County has accepted portions of deliverables required under the Agreement. However, due to the extension of the implementation period under the First Amendment and the particular payment milestones set forth in the Payment Schedule for Public Works (attached as Exhibit B to the Agreement), Accela has completed work on portions of the eDAPTS system being implemented at Public Works to fulfill its obligations under the Agreement without the receipt of commensurate payments from the County.

In light of the foregoing, Public Works and the CIO believe that it is reasonable for the County to make interim progress payments to Accela for deliverables which have been completed by Accela and accepted by the County but for which there are no existing payment milestones under the Payment Schedule for Public Works at no additional cost to the County. Determination of the timing and amounts to be paid to Accela for completed and accepted deliverables will be made by the Program Director for Public Works. In consideration for amending the Agreement to provide for the County's ability to make such progress payments, Accela will provide Public Works with an allotment of \$40,000 for future programming modifications.

The proposed Second Amendment will also authorize the Program Directors for Public Works and the Additional Entities to make changes to their respective Implementation Plans, Payment Schedules, and Statements of Work to reflect supplemental services and/or programming modifications to be provided by Accela as determined by the Program Directors and to be paid for with the contingency funds previously approved in connection with the Agreement and Addendum or by application of the allotment being granted to the County by Accela described above at no additional cost to the County.

Implementation of Strategic Plan Goals

The recommended action supports the County Strategic Plan Goals for Service Excellence, Organizational Effectiveness, and Community Services as follows:

Service Excellence – Provide the public with easy access to quality information and services that are both beneficial and responsive.

Organizational Effectiveness – Ensure the service delivery systems are efficient, effective, and goal-oriented.

The Honorable Board of Supervisors
July 7, 2005
Page 4

Community Services – Improve the quality of life for the residents of Los Angeles County's unincorporated communities by offering a wide range of department coordinated services responsive to each community's specific needs.

FISCAL IMPACT/FINANCING

There will be no additional cost to the County as a result of the Second Amendment. Payments to Accela will not exceed those approved in the June 18, 2002, Agreement for Public Works or in the April 1, 2003, Addendum for the Additional Entities.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The enclosed Second Amendment has been reviewed and approved from a legal standpoint by County Counsel. Accela is in compliance with Board-mandated legal requirements.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The enclosed Second Amendment will not impact any requirements of the Agreement, nor will it have any affect on the terms of the Agreement.

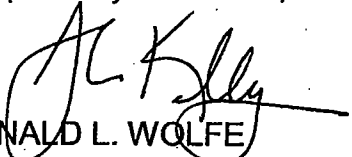
CONCLUSION

We request that your Board approve the enclosed Second Amendment to Agreement No. 74058 authorizing (I) an extension of time for implementation of the eDAPTS system to December 31, 2006, (II) the Program Director for Public Works to revise the Payment Schedule for Public Works to provide for payments to Accela for work completed on existing deliverables but for which there is no payment milestone under the Payment Schedule for Public Works, and (III) the Program Directors for Public Works and the Additional Entities to revise their Implementation Plans, Payment Schedules, and Statements of Work to reflect the supplemental services and/or programming modifications to be provided by Accela and paid for with previously-approved contingency funds or the allotment granted to the County by Accela in consideration for the Second Amendment at no additional cost to the County. The Second Amendment will be submitted in triplicate. Please have the Chair

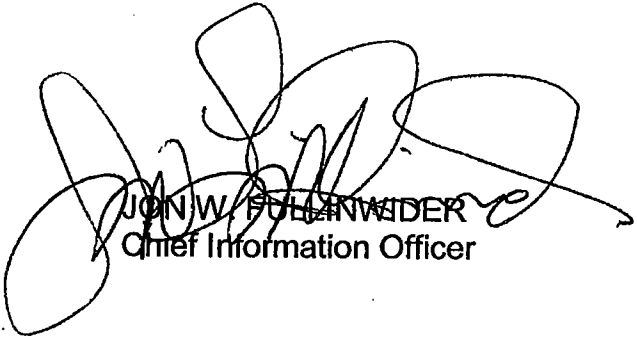
The Honorable Board of Supervisors
July 7, 2005
Page 5

sign all three copies of the Second Amendment. Please retain one copy for your files and return the other two copies to Public Works. Public Works will retain one copy of the Second Amendment for its records and provide the other to Accela.

Respectfully submitted,



DONALD L. WOLFE
Acting Director of Public Works



JON W. FULLANWIDER
Chief Information Officer

SE:ll

P:\bpub\ADMIN\DAPTS\TIME EXT BRD LTR.doc

Enc.

cc: Chief Administrative Office
County Counsel
Fire Department
Department of Health Services
Department of Public Social Services (GAIN Program)
Department of Regional Planning

SECOND AMENDMENT TO DEVELOPMENT AND INSPECTION TRACKING SYSTEM AGREEMENT

This Second Amendment to Development and Inspection Tracking System Agreement (Second Amendment) is entered into and executed as of the _____ day of _____, 2005, by and between the County of Los Angeles (County) and Accela, Inc. (Contractor). The County and the Contractor are sometimes hereinafter referred to collectively as the "Parties" and individually as a "Party."

RECITALS

WHEREAS, the Parties entered into that certain Development and Inspection Tracking System Agreement adopted by the Board of Supervisors of the County (Board) on June 18, 2002 (Agreement) with respect to the procurement by County from Contractor of products and services in connection with the management and operation of the County's land development, inspection and management function;

WHEREAS, the Agreement provides for the development by Contractor of an electronic development and permit tracking system (System) for the County's Department of Public Works (DPW), including software licenses, software installation and support, business process reengineering, training and post-implementation and support;

WHEREAS, fees and payments to Contractor for implementation of the System at DPW under the Agreement are set forth in the Payment Schedule attached to the Agreement as Exhibit B (DPW Payment Schedule);

WHEREAS, pursuant to Section 2 of the Agreement, there has been a Program Director and a Program Manager designated for DPW;

WHEREAS, under that certain Addendum No. 1 to the Agreement adopted by the Board on April 1, 2003 (Addendum), the Parties agreed to supplement the Agreement to provide, among other things, for the addition of the County's Department of Regional Planning, the County's Fire Department, and the County's Department of Health Services' Office of Environmental Health (such Departments collectively, the Additional Entities) as additional entities under the Agreement;

WHEREAS, pursuant to Section 6.6 of the Agreement and Section 3 of the Addendum, there has been a Program Director and Program Manager designated for each of the Additional Entities;

WHEREAS, pursuant to Section 6.6 of the Agreement, a separate Implementation Plan, Payment Schedule, and Statement of Work for each of the Additional Entities has been mutually agreed upon by the Parties;

WHEREAS, in connection with its adoption and approval of the Agreement and the Addendum, the Board approved contingency funds of \$252,100 for implementation of the System for DPW and \$230,120 for implementation of the System for the Additional Entities (such amounts collectively, the Contingency Funds);

WHEREAS, under that certain First Amendment to the Agreement adopted by the Board on June 1, 2004 (First Amendment), the Parties agreed to amend the Agreement to provide for an additional extension of time, namely, until August 1, 2005, for Contractor to complete the work scheduled to be performed under the Agreement;

WHEREAS, DPW and the Additional Entities, respectively, have identified certain programming modifications and/or supplemental services to be provided by Contractor and upon which it would be appropriate to expend Contingency Funds;

WHEREAS, Section 5.3 of the Agreement provides that any changes to the Agreement which do not affect the scope of work, term, payments or any term or condition included in the Agreement shall be accomplished by way of a change notice executed by County's Program Director and Contractor's Program Director;

WHEREAS, Section 5.4 of the Agreement provides that any changes to the Agreement which affect the scope or work, term, payments or any other term or condition of the Agreement shall be accomplished by way of a negotiated written amendment to the Agreement executed by the County's Board and the Contractor's authorized representative; and

WHEREAS, in light of the foregoing, the Parties wish to further amend the Agreement to (I) provide for an additional extension of time, namely, until December 31, 2006, for Contractor to complete the work scheduled to be performed under the Agreement, (II) provide the Program Director for DPW the authority to revise the DPW Payment Schedule to allow the County to make progress payments to the Contractor for deliverables completed by the Contractor and accepted by the County but for which there are no payment milestones currently provided for under the DPW Payment Schedule, and (III) provide the Program Director for DPW and the Program Directors for the Additional Entities the authority to revise their respective Implementation Plans, Payment Schedules, and Statements of Work to reflect additional programming modifications and/or supplemental services to be provided by Contractor and to

be paid for with contingency funds previously approved by the Board in connection with this Agreement or with the consideration provided by Contractor hereunder, without the requirement of further Board approval.

NOW, THEREFORE, pursuant to Section 5 (Change Notices and Amendments) of the Agreement and in consideration of the mutual covenants of the Parties contained in the Agreement, the Addendum, the First Amendment, and this Second Amendment, the Parties hereby agree as follows:

1. Section 5.6 of the Agreement is hereby amended to read as follows:

"Notwithstanding any provision of this Section 5 (Change Notices and Amendments) or Section 30 (Termination for Convenience), to the extent that extension of time for Contractor's performance do not impact either the scope of work or cost of this Agreement, the County's Program Director, in his sole discretion, upon written request from Contractor's Program Director, may grant Contractor extensions of time in writing for the work scheduled to be performed in accordance with Exhibit J (Implementation Plan), provided that such extensions shall not be granted to a date beyond December 31, 2006, without a further amendment to this Agreement specifically providing for such extension."

2. A new Section 5.7 is hereby inserted at the end of Section 5 of the Agreement to read as follows:

"5.7 Notwithstanding any provision of this Agreement to the contrary:

- (a) To the extent that changes to the DPW Payment Schedule do not impact the cost of this Agreement, the County's Program Director for DPW, in his or her sole discretion, may make changes in writing to the DPW Payment Schedule to allow for payments to the Contractor for deliverables completed by the Contractor and accepted by the County but for which there are no existing payment milestones under the DPW Payment Schedule.
- (b) Subject to Section 5.6 of this Agreement, to the extent changes in the respective Implementation Plans, Payment Schedules and/or Statements of Work for DPW and the Additional Entities do not curtail the scope of work under this Agreement or impact the cost of this Agreement, the Program Director for DPW and the Program Directors for the Additional Entities, as the case may be and in his or her sole

discretion, may each make changes to his or her Department's respective Implementation Plan, Payment Schedule and Statement of Work to reflect additional programming modifications and/or supplemental services to be provided by Contractor and to be paid for with contingency funds previously approved by the Board in connection with this Agreement or with the allotment granted by Contractor to County described in Section 11.6 of this Agreement, as the case may be."

3. A new Section 11.6 is hereby inserted as the end of Section 11 of the Agreement to read as follows:

"11.6 Notwithstanding any provision of this Agreement to the contrary, Contractor shall provide to County an allotment in the amount of Forty Thousand Dollars (\$40,000) for future programming modifications."

4. In all other respects the Agreement, the Addendum, the First Amendment, and the respective rights and obligations of the Parties thereunder, remain as previously written and in full force and effect.

IN WITNESS WHEREOF, the County of Los Angeles and Accela, Inc. have cause this Second Amendment to be executed by and through their respective and duly authorized representatives on the day and year above first written.

COUNTY
COUNTY OF LOS ANGELES


By _____
Chair, Board of Supervisors

ATTEST:

VIOLET VARONA-LUKENS
Executive Officer of the
Board of Supervisors of
the County of Los Angeles

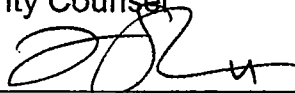
By _____
Deputy

CONTRACTOR
ACCELA, INC.

By 

Title Senior Vice President, Services
Accela, Inc.

APPROVED AS TO FORM:
RAYMOND G. FORTNER, JR.
County Counsel

By 
Jose Silva
Principal Deputy County Counsel